
OVERVIEW - CITY OF DURHAM CAPITAL IMPROVEMENT PLAN

Category Highlights

Highlights of this year's CIP are outlined below by category:

- I. Culture and Recreation: Projects included in this category are related to enhancing the cultural and recreational opportunities for City residents. Open space and greenways projects, parks and art centers and museums are included in this category.

The approved 1996 bond referendum for culture and recreation projects represents a significant portion of the funds expended in this category. The total funding from the 1996 Bond projects is \$25,875,000. Several 1996 Bond projects are being done in partnership with non-City agencies, e.g., the **Community Center at Lyon Park**, Downtown Parkland Acquisition for **Durham Central Park**, and renovations to **Historic St. Joseph's**.

Two new trail projects are included in this year's program – the **Eno Greenway and Sandy Creek Environmental Center**. These trails are partially grant funded and will add 5.3 miles of trail to the City's system. Other trails already under construction include the **North-South Trail**, **American Tobacco Trail**, and **Rocky Creek/ Pearsontown Trail**.

One new park development project is included in this year's program – Bethesda Park. This project includes the development of a City-owned 20 acre piece of land off of Cash Road. The new facility will include ballfields, playgrounds, picnicking amenities and other program elements identified by the community.

This year's capital improvement program provides additional funding for continued renovations to parks, playgrounds, pools, and recreation centers.

The **Hillside Athletic Complex**, **Little River Park**, and **C.M. Herndon Park** will provide a significant expansion of soccer and baseball/softball opportunities. The Hillside Athletic Complex will provide easy access to facilities for residents in Central Durham. Little River Park will provide soccer and baseball fields to residents of Northern Durham. **C.M. Herndon Park** will be constructed on city owned property in the southern most portion of the city on Scott King Road.

The **South Ellerbee Creek Natural Area** will provide a green space in the Old West Durham Neighborhood. The project will be funded through a grant and matched with available impact fee dollars.

Other projects funded in this category include **Cook Road Park**, and **West Chapel Hill Road Park**.

- II. Downtown Development:
Projects in this category provide for the revitalization of Downtown Durham including street improvements, construction and renovation of parking decks, and renovations of the Durham Bulls Athletic Park.

Major Projects are divided into roadway improvements and parking deck enhancements. Roadway improvements include **Foster/Corcoran Street realignment** to improve traffic flow within the downtown area, Chapel Hill/Main Street improvements to convert these one-way roads to two-way traffic and streetscaping. **Conversion of the Downtown Loop** includes funding for a feasibility study and preliminary design to convert the loop to a two-way street.

Parking deck enhancements includes funds for the construction of a parking garage associated with the redevelopment of the **American Tobacco Complex**.

- III. General Services: Projects in this category are related to the construction, maintenance, or expansion of many City buildings and facilities. Fire Department, 911 Center and Police facilities are not included in this category.

Projects include:

The first phase of an **Enterprise Resource Planning System** is programmed into this year's funds. This system will replace the current financial accounting and reporting, billing, and human resource system and will provide centralized information that will simplify reporting and analysis.

Also in this category are continued renovations to **City Hall and Police Headquarter**. These repairs will add space to these buildings, enhance customer service on the first floor of City Hall, and repair antiquated and failing mechanical systems within all three buildings. Slated for FY 2003 is the renovation of the City Council Chambers, renovations of the customer billing area on the first floor of City Hall, implementation of HVAC/mechanical replacement in City Hall, and renovations to second floor office space of City Hall.

Other projects included in this category include **Solid Waste Management Projects, Arts Council Renovations, the Fay Street Maintenance** facility to house our property care, sign and signal and other maintenance functions, and upgrades to the **800 mHz system**.

IV. Housing and Neighborhood Revitalization: This section includes all housing efforts and neighborhood redevelopment projects.

Voters approved \$15 million in bonds for affordable housing in 1990. By Fiscal Year 1998 all of those funds were spent on housing initiatives. The City currently has \$20 million approved by the voters through the 1996 bond referendum to continue affordable housing efforts.

Projects included in this category are designed to assist with providing housing for low- and moderate-income individuals and families through the acquisition of land for housing development, housing rehabilitation and assistance programs. Loan repayments from affordable housing projects have also been use to finance additional projects. Many of the department's housing activities are conducted through competitive Requests for Proposals (RFP).

Despite growing average incomes in the area, the higher growth rate of average local housing costs is increasing the affordable housing gap for many renters and first time buyers. Neighborhood preservation and increased homeownership meet the City's goals by improving the quality of life, increasing neighborhood stability and decreasing crime. Affordable housing activities increase the tax base, improve quality of life and neighborhood stability and appearance.

V. Public Protection: Projects in this category will enhance the City's ability to protect lives and property through police and fire services, e.g., technology and strategically located and well-maintained facilities.

Projects in this category include:

Fire Station #8. This fire station will provide response on the eastern side of the City. Site identification is underway and construction is slated to begin in FY 2003.

Fire Station #16. This station will provide service in the southwestern portion of the city. This station will be located on city-owned land adjacent to the South Durham Water Reclamation Facility. Construction is scheduled for FY 2003.

Radio Equipment Upgrades will replace the antiquated 911 hardware and software with state of the art equipment. The **Police Headquarter HVAC and Indoor Air** project is a part of the City's maintenance effort to replace and repair aged and failing mechanical and HVAC systems.

VI. Transportation: Projects in this category provide for street, thoroughfare, sidewalk, and mass transit improvements. Transportation projects are intended to construct new infrastructure or make significant improvements to the City's roadway and sidewalk network.

The proposed 2002-2007 Capital Improvement Plan (CIP) includes increased funding to respond to traffic concerns resulting from increased growth and development

In FY 2002, approximately \$500,000 in 1996 Bonds was moved from the **Alston Avenue Extension** project to increase funding in **Traffic Calming** and the **Miscellaneous Thoroughfares and Street Improvements** projects. The **Alston Avenue Extension** project is not currently within the N.C. DOT Transportation

Improvement Plan. The City should program the 1996 bonds for expenditure within a seven-year time frame. The City may amend future Capital Improvement Plans to accommodate the **Alston Avenue Extension** project as State funding becomes available. The \$500,000 in General Obligation bonds split between **Traffic Calming** and **Miscellaneous Thoroughfares** will allow the City to respond to traffic issues generated by increased growth and development.

The 1996 bond referendum package includes \$35,245,000 for street, thoroughfare, and sidewalk improvements. An additional \$5,165,000 is available for mass transit improvements (**Multi-Modal Transportation Center**). Construction of the **Martin Luther King, Jr. Parkway, Street Paving** over dirt streets and the **Multi-Modal Transportation Center** are three of the largest and most notable projects included in the 1996 Bonds.

In order to accommodate growth and development in the area bounded by I-40, NC 751 and Fayetteville Road, the cost of **widening of Fayetteville Road** to multi-lanes between I-40 and Woodcroft Parkway is included in this CIP. Of the estimated \$6 million cost, half of the funds for this project will come from 1996 Bonds, and the other half will come from Zone 1 Street Impact Fees.

Other noteworthy projects are the upgrade to the City's **Traffic Signal System** and the City's **Sidewalk** initiative. The **Traffic Signal System**, when complete in FY 2002 will provide motorists and pedestrians with state-of-the-art traffic controls using the latest technology.

- VII. Water: Projects in this category are related to the expansion, maintenance, or improvements to the City's water treatment and distribution system. Improvements made to the water treatment and distribution system are substantially funded by revenue bonds through the current year. Recurring contributions from the Water and Sewer Operating Fund and \$1,000,000 in revenue bonds are planned as the primary funding sources for FY 2002. The City uses the funding stream for pay-as-you-go projects as a way to mitigate major water rate increases in any one year.

The City is currently negotiating with several outside jurisdictions for bulk water sales. Future treatment and capacity needs may need to be reexamined depending on the outcome of those negotiations.

- VIII. Wastewater: Projects in this category are related to the expansion, maintenance, or improvement of the City's sanitary sewer collection and treatment system. Improvements made to the sewer collection and treatment system are substantially funded by revenue bonds. Recurring contributions from the Water and Sewer Operating Fund and \$3,000,000 in revenue bonds are planned as the primary funding sources for FY 2002. The City uses the Water and Sewer Operating funding stream for pay-as-you-go projects as a way to mitigate major sewer rate increases in any one year. **Sewer Rehabilitation** will receive the majority of the FY 2002 funding in order to respond to the needs of aging sanitary sewer collection lines. Rehabilitation of sanitary sewer lines should reduce the amount of inflow and infiltration into the collection system, thus lowering wastewater treatment costs.

The City is currently negotiating with an outside jurisdiction to provide bulk wastewater treatment. Future treatment and capacity needs may need to be reexamined depending on the outcome of those negotiations.

Financial Assumptions

This year's CIP is based on a number of financial assumptions as described below:

- a. The CIP assumes the use of installment sales financing exclusively for either facilities that house City functions or facilities that are joint private-public ventures. This assumption is consistent with the stated goals of maintaining the existing infrastructure and providing City services in an effective and efficient manner.
- b. The CIP assumes the dedication of investment income toward general capital projects. The City Council adopted a resolution as a part of the FY 1993-94 Budget that dedicated all investment income derived by the General and Capital Projects Funds to the Capital Projects Fund. **Unfortunately, the City had to suspend its pay-as-you go program for FY 2002-03 because of the State actions on local government reimbursements.**
- c. For water and sewer projects, the City will use revenue bonds and pay-as-you-go financing for capital projects. The City funded water and sewer capital improvements through FY 1997 using revenue bonds. Beginning in FY